

DRAFT Meeting Summary
Otay Ranch POM Policy Committee Meeting
1800 Maxwell Road, Lunch Room
Chula Vista, CA 91911

February 4, 2009
2:00-4:00 pm

ATTENDEES:

City of Chula Vista

John McCann, Deputy City Mayor
Gary Halbert, Deputy City Manager
Jill Maland, Deputy City Attorney
Marisa Lundstedt, Principal Planner
Josie McNeeley, Associate Planner

County of San Diego

Supervisor Greg Cox, District 1
Michael De La Rosa, District 1 Policy Advisor
Chandra Wallar, Deputy Chief Administrative Officer, Land Use & Env. Group
Mark Mead, County Counsel
Renée Bahl, Director, Department of Parks and Recreation (DPR)
Trish Boaz, Chief, DPR
Megan Hamilton, Group Program Manager, DPR
Larry Duke, District Park Manager, DPR
LeAnn Carmichael, Planning Manager, Department of Planning and Land Use
Cheryl Goddard, Land Use Environmental Planner, DPR

Public (*Per sign-in sheet, Attachment A*)

Amber Himes, U.S. Fish and Wildlife Service
Dave Mayer, CA Department of Fish and Game
Tom Tomlinson, McMillin Companies
Rikki Schroeder, for McMillin Companies

Agenda Item Numbers noted in parentheses

1. Call to Order

(I.) Meeting called to order at 2:04 pm by City of Chula Vista/JOHN MCCANN. DEPUTY MAYOR MCCANN thanked those who provided him updates on the Otay Ranch Preserve and looks forward to working with everyone involved.

2. **(II.)** County of San Diego/SUPERVISOR GREG COX motioned to approve the meeting minutes. Motion seconded by DEPUTY MAYOR MCCANN. Motion carried.
3. **Public Comment on items not related to Agenda**
(III.) DEPUTY MAYOR MCCANN opened and closed with no comment.
4. **Status Report**
(IV.A.1) City of Chula Vista/JOSIE MCNEELEY reported on future infrastructure as an outstanding issue holding up pending conveyances. There are approximately 114 acres pending conveyance due to future infrastructure. At the last Policy Committee meeting, POM staff was directed to move forward with non-binding mediation. A mediation session is scheduled for February 25th however at recent Preserve Management Team (PMT) meetings; there were discussions to hold interim meetings including a Working Group meeting and a special PMT meeting. City requested that the mediation session be moved to the first or second week in March. POM staff will report back to the PMT, ask for further direction on the issue, and present a recommendation to the Policy Committee.

SUPERVISOR COX asked for clarification regarding the scheduled mediation date.

MCNEELEY stated that a mediation session is currently scheduled for February 25th. However, at the last PMT meeting, POM staff was directed to hold a Working Group meeting to discuss reallocation of roll-over funds from the current budget. The details of this will be discussed later in the presentation under Finance. POM staff was also directed to report back the outcome of that meeting to the PMT at a special PMT meeting. In light of these meetings, the sense of timing to complete spring surveys, and coordination consideration with Working Group meetings, the City is proposing that the mediation session be moved to the first or second week in March. Moving the mediation session to March will still allow POM staff to report the outcome of the mediation to the PMT at their next regularly scheduled meeting to be scheduled in early April.

SUPERVISOR COX asked if the mediation session outcome would be on the next agenda for the Policy Committee meeting.

MCNEELEY stated yes.

(IV.A.2) MCNEELEY reported on access through other Public Agency lands as the second issue holding up pending conveyances. There are 606 acres pending conveyance due to access issues. These lands are being offered by Otay Ranch Company and McMillin Companies. Pursuant to the RMP, developers are required to provide legal access in

the form of a recorded easement for lands being conveyed to the POM. The developers have encountered issues with obtaining recorded easements through City of San Diego Water Department and Fish and Game parcels. POM staff is assisting the developers in coordinating with these agencies by trying to establish the process to obtain the easements and potentially reduce costs to the developers. Staff has initiated conversation with Fish and Game to initiate a temporary right of easement for the interim and should be approved at a staff level by Fish and Game. Concurrently staff will look to apply for a permanent recorded easement which will need to be approved by the Wildlife Conservation Board. This could take some time. For the City of San Diego Water Department lands, Chula Vista staff is working with its Real Property Specialist, Rick Ryals, who will coordinate with his counterpart at the City of San Diego. Because these access roads are being utilized for the purpose of management and monitoring of the preserve, there is a commonality in interest between all the jurisdictions. It is staff's goal to try and reduce costs for the developer and identify a process to record the easements.

SUPERVISOR COX asked for clarification that the two entities POM staff is dealing with is City of San Diego Water Department and BLM.

MCNEELEY clarified that it is the City of San Diego and CA Department of Fish and Game. Staff has spoke with Tim Dillingham of Fish and Game and he has identified a process on how to obtain a temporary right of entry. POM staff will need to send a letter requesting that access and it can be approved at a Fish and Game staff level. Concurrent to that, a permanent recorded access easement will be applied for to the Wildlife Conservation Board. The permanent easement will take longer to process. Staff will contact the Wildlife Conservation Board to obtain the needed applications and establish what their actual process is. For the City of San Diego lands, Chula Vista's Real Property Specialist is working with his counterpart at the City of San Diego to streamline the easement process and reduce any potential costs to the developers. Currently, the City of San Diego Water Department is requesting that the developers pay for their fair share value price for the strip of land that provides access to the offered conveyance lands.

SUPERVISOR COX stated all the entities have the same interest in managing the lands for preserve purposes. If the Policy Committee members need to contact the City of San Diego to expedite recording an easement, SUPERVISOR COX offered to do that. Because everyone is working towards the same goal of preservation, there shouldn't be financial consideration for a right of entry.

MCNEELEY stated that the County and the City are in agreement that the POM needs a recorded easement to reduce any potential risks. If there is

a MOU or temporary right of entry, there is a risk that the granting entity could revoke them. Or there is the potential that if the land gets sold, the POM would lose the right of entry where as recording a legal easement provides the access in perpetuity. If staff comes to a point where involvement is needed by DEPUTY MAYOR MCCANN and/or SUPERVISOR COX, staff will do so.

SUPERVISOR COX asked if any action was needed by the Policy Committee.

MCNEELEY stated no. This item was informational only. City staff will coordinate with County staff to discuss these options.

DEPUTY MAYOR MCCANN stated that SANDAG oversees the MSCP plans. DEPUTY MAYOR MCCANN asked if it would be helpful to coordinate with someone in SANDAG regarding these access issues since all the entities have the same goal. At some point in time a jurisdiction or entity will need access through another entities land. These should be processed as a courtesy without any costs involved and they should be expedited. Staff should look to see if SANDAG can provide assistance.

MCNEELEY stated that since she has been involved with the POM, access has not been an issue. Since this is the first instance, staff will need to establish a procedure to process recorded easements with other public agencies. SUPERVISOR COX offered the Policy Committee members assistance and if need be, POM staff will do so.

DEPUTY MAYOR MCCANN asked for clarification that because we don't have legal access, the POM cannot accept the offered conveyance lands, and therefore the POM is not realizing the specific goals that the POM was created for.

MCNEELEY stated that was correct.

City of Chula Vista/MARISA LUNDSTEDT stated that she could offer her assistance as the appointed South County member to the SANDAG Environmental Mitigation Group. There is a meeting later in the week and LUNDSTEDT would bring up the issue of access at a regional perspective. The other members of the Working Group can provide their input.

SUPERVISOR COX asked if Keith Greer is a member of this group.

LUNDSTEDT stated yes.

KIM KILKENNY stated that he had similar thoughts. The lands that they need access through on City of San Diego lands are designated as cornerstone lands per the City of San Diego's MSCP plan. The City of San Diego's MSCP Plan is identical to the County's and the City of Chula Vista's. The jurisdictions are mutually reliant on each other for their permits. When all of the preserve lands are conveyed, access won't be an issue. This is an interim problem. In regards to the City of San Diego cornerstone lands, KILKENNY had a conversation with Keith Greer on the specific properties and asked if there could be a policy that access would be granted to all MSCP preserve lands. KILKENNY stated that Greer agreed it could be done, however, for the City of San Diego they routinely gave right of entry permits short of an easement. If the POM or POM staff requires an easement, KILKENNY understands why the City wants compensation. However, the POM should consider a right of entry permit until such time that full conveyance is completed.

SUPERVISOR COX asked why an easement is needed if access is through property committed to the MSCP such as the cornerstone properties instead of a right of entry.

MCNEELEY stated that POM staff discussed the risk factor of having a right of entry revoked. It is the City's position based on discussion with the City's Real Property Specialist, that a recorded easement would eliminate that risk. The City wants to insure that the easement remains with the land in perpetuity. In speaking with City of San Diego MSCP staff, they indicated that the City of San Diego Water Department needs to follow specific laws and ordinances. City of San Diego MSCP staff referred POM staff back to the City of San Diego Water Department staff.

SUPERVISOR COX asked if the cornerstone lands are City of San Diego Water Department properties.

MCNEELEY stated that was her understanding.

SUPERVISOR COX asked if the cornerstone lands are part of the MSCP.

MCNEELEY stated yes.

County of San Diego/RENÉE BAHL stated that the County was and still is comfortable with the option of a use and occupancy permit which is similar to the right of entry instead of a formal access agreement. The County is still open to this option and there should not be a cost associated with it. The County is comfortable with the risk factors involved.

SUPERVISOR COX asked what the risk factors are. SUPERVISOR COX asked what the likelihood is that the City would revoke the access

considering the access is through the City of San Diego MSCP. These are lands set aside for preservation. They couldn't sell the lands for development purposes.

LUNDSTEDT agreed with SUPERVISOR COX'S approach. Staff will re-evaluate those areas which go over MSCP lands. The risk factors would be lower for those areas. Staff will look into right of entry for those areas that cross MSCP lands. The ultimate goal when the preserve is assembled is to have secured legal access set in stone.

SUPERVISOR COX clarified that once the preserve is fully assembled, there isn't a need for the right of entry.

LUNDSTEDT agreed. After hearing the discussion, staff will look into right of entries for access over MSCP lands.

SUPERVISOR COX asked if POM staff could report back on this issue at the next Policy Committee meeting.

LUNDSTEDT stated yes.

DEPUTY MAYOR MCCANN stated that this could be dealt with in a short amount of time. It staff needs the Policy Committee members to get involved, DEPUTY MAYOR MCCANN and SUPERVISOR COX are willing to contact the City to resolve this issue. Bottomline is that the easement should be a courtesy. The goal is to get lands conveyed to the POM and access issues should be resolved quickly so that we can accomplish assembling the preserve.

TOM TOMLINSON stated that for the McMillin property, McMillin Companies did process a legal easement for a road however the legal easement is not the same as the existing dirt road.

SUPERVISOR COX asked if that gives the POM the needed legal access.

KILKENNY stated that there are practical issues. Legal access can be given by drawing an easement over property, however there may not be a road there. It makes no sense for conservation purposes to cut a new road in. Everyone is in agreement that existing fire roads should be used they just happen to go through other public ownership. The common goal is to get the MSCP to work and access is needed to complete the management and monitoring needed for the MSCP.

DEPUTY MAYOR MCCANN directed POM staff to report on this issue at the next Policy Committee meeting. DEPUTY MAYOR MCCANN

encouraged staff to use the resources at the County and the City to get this issue resolved as well as looking at the SANDAG option.

(IV.B) County of San Diego/CHERYL GODDARD reported on future POM alternatives. To provide background, the Otay Ranch Preserve Joint Powers Agreement (JPA) implements the current POM structure. The JPA and Phase 2 Resource Management Plan (RMP) state that the JPA is to be reviewed every 5 years. The PMT and the Policy Committee, at their last meetings directed POM staff to explore future POM alternatives and the pros/strengths and cons/risks of each. These are discussed in the white paper included as a handout.

GODDARD stated that POM staff looked into the following POM alternatives: Existing POM; USFWS manages lands east of Otay Lakes and within the NWR boundary/Determine appropriate POM for remainder of conveyed preserve lands; Third Party POM; and two options for Jurisdictional POMs. Option 1 would divide the preserve based on jurisdictional boundaries in which each jurisdiction would be responsible for conveyed preserve lands within their respective jurisdiction and Option 2 would create independent jurisdictional POMs in which each jurisdiction would be responsible for conveyed preserve lands associated with a development project within their respective jurisdiction.

GODDARD outlined each POM alternative. The Existing POM is implemented by the JPA; County and City have joint responsibilities for management and monitoring of the Preserve; JPA establishes the PMT and the Policy Committee; Funding is collected through CFDs or similar funding mechanism; Currently, the County invoices the City for administrative, operational, and monitoring tasks. A description of the alternative for USFWS to manage lands east of Otay Lakes and within the NWR boundary/Determine appropriate POM for remainder of conveyed preserve lands includes that per the "Baldwin Agreement" USFWS agreed to have lands east of Otay Lakes and within the NWR boundary transferred to them; These lands total ~6,200, of which ~1,100 acres are currently owned and/or being managed by USFWS or CDFG; USFWS will be relieved of RMP obligations; Funding for management and monitoring of the transferred lands will be at no cost to Otay Ranch projects; County and City to determine appropriate POM for remainder of conveyed preserve lands; Funding source for the remainder lands is identical to the existing POM structure which would be a CFD or similar funding mechanism.

GODDARD continued with the POM alternative backgrounds. The Third Party POM would be responsible for all POM tasks including resource protection, monitoring and management, environmental education, research, recreation, and enforcement activities. Funding source identical

to existing POM structure except Third Party POM would invoice the City and the County once development has been built in the unincorporated County for operational, management, and monitoring costs. For Jurisdictional POM - Option 1, the Preserve would be divided based on jurisdictional lines; County and City responsible for implementing RMP tasks and insuring POM responsibilities are completed for all conveyed preserve lands within their respective jurisdiction; Funding source identical to existing POM structure; County and City will need to come to agreement on a per acre rate for management and monitoring costs of conveyed preserve lands. The rates may vary based on location and specific management and monitoring needs. For Jurisdictional POM – Option 2, County and City will be independent POMs to conveyed preserve lands associated with development projects within their respective jurisdiction; Conveyed lands must be managed and monitored in accordance to the jurisdiction's MSCP Subarea Plan in which the land is located; City to fund RMP tasks through CFD97-2; and the County to establish a CFD or similar funding mechanism to fund RMP tasks once development projects are built within the unincorporated County.

GODDARD stated that POM staff drafted pros/strengths, cons/risks, and feasibility questions for each alternative. POM staff's recommendation, with the support of the PMT is for the Policy Committee to direct POM Staff to meet with the Wildlife Agencies, both regulatory and land management divisions, and the Working Group to obtain their feedback on the POM Alternative descriptions, pros/strengths, and cons/risks of each alternative; outline implementation steps needed to execute each alternative; draft estimated timelines to execute each alternative; and discuss the outcomes for the items listed above with the PMT and Policy Committee at their next regularly scheduled meetings to be scheduled in April and May.

SUPERVISOR COX asked for clarification on the next steps for POM alternatives. POM staff will flush out the alternatives and come back to the Policy Committee at the next meeting. SUPERVISOR COX asked if the Policy Committee is expected to make a decision on an alternative POM at that meeting.

GODDARD stated that staff will have an opportunity to flush out each alternative and will have an opportunity to discuss the feasibility of each. Staff will be able to rank each alternative and present that to the Policy Committee. Additionally, because staff will have implementation steps and estimated timelines drafted, the Policy Committee could direct staff to execute one of the alternatives.

County of San Diego/CHANDRA WALLAR stated that it is not likely that the Policy Committee will be able to make a decision by the next meeting.

Details will need to be flushed out, such as what the CFD split will be. This will take some effort. However, staff would like direction from the Policy Committee as to which alternatives to pursue versus others. At the previous Policy Committee meeting, the Councilmember from the City stated that the Third Party POM was not his highest preference although he did want to see information on all the alternatives.

MCCANN asked if staff wanted direction at this meeting or at the next meeting.

WALLAR stated that the Policy Committee could provide direction at this meeting. WALLAR suspects that the Policy Committee will want staff to provide more information on all of the alternatives unless there is one or more that should not be considered or one or more that should be looked at in more detail than the others. WALLAR asked for direction from the Policy Committee regarding the concepts of the alternatives – does one make more sense than the others.

SUPERVISOR COX asked if the property owners input would be considered in addition to the Wildlife Agencies.

GODDARD stated yes. The Working Group consists of property owners, interested stakeholders, and Wildlife Agencies' staff.

SUPERVISOR COX stated that each alternative needs to be flushed out more. SUPERVISOR COX said that he would like to complete more research on the option for the Wildlife Service to take over management of lands east of the lake. SUPERVISOR COX will meet with Congressman Filner to see what options are available. There are probably legal issues that need to be dealt with in regards to CFD funds if the Wildlife Service took over those lands and if the funds could be used to cover the remainder preserve lands. All the alternatives need to be flushed out. SUPERVISOR COX asked if any lands were being held up with this process.

BAHL stated no.

KILKENNY stated that the Baldwin organization committed in 1995 that the Wildlife Services/Refuge be designated as the POM for the eastern portion of the Preserve. It is understood that there are funding issues on the federal side in that the previous administration was not interested in funding management of preserve lands. With the new administration, a conversation with Congressman Filner is a good idea. The Baldwin agreement continues to support and advocate for this option. The Baldwin organization is not opposed to the other alternatives however the Jurisdictional POM – Option 2 which would create independent

jurisdictional POMs should fall off the list. If Chula Vista asked the developer to convey lands in the eastern San Ysidro property, Chula Vista would be responsible for managing those lands and for Village 13, if the County asked that lands be conveyed in the Otay River Valley, that the County would be responsible for those lands. This would create a hopscotch for management and isn't rationale.

TOMLINSON stated that he supports further analysis of the Third Party POM option.

DEPUTY MAYOR MCCANN directed staff to also meet with property owners in addition to the Wildlife Agencies and the Working Group to obtain their feedback. Staff should also analyze the existing POM structure. DEPUTY MAYOR MCCANN would like to see further analysis on the option for the Wildlife Service to take over some of the lands, the Third Party POM, and Jurisdictional POM – Option 1. Option 2 is confusing. For Option 1, if the land is in Chula Vista's jurisdiction, Chula Vista will take care of it. If the land is in the County's jurisdiction, the County will take care of it. For Option 2, it depends on where the development takes place. You could have Chula Vista taking care of lands in the unincorporated area and the County taking care of lands within the City's jurisdiction. This seems too complicated and hard to track. Additionally it seems inefficient if you have a biologist or ranger driving to all these areas. DEPUTY MAYOR MCCANN stated that he was not interested in having Jurisdictional POM – Option 2 being further studied. The optimal Jurisdictional POM to study is Option 1.

SUPERVISOR COX stated that he had questions regarding Jurisdictional POM – Option 2, but that each alternative should be flushed out. The Policy Committee should be able to narrow down the options to two or even one at the next Policy Committee meeting.

DEPUTY MAYOR MCCANN stated that he can support that. There does seem to be other good options to study. Information is always good to look at. However Option 2 doesn't seem to be very practical.

AMBER HIMES stated she works for the Wildlife Services in the ecological branch which is separate from the land management branch. In regards to the Wildlife Services taking over lands east of the lakes, part of the land management division's issue is that the Service does not have the money to take over management and monitoring of those lands. Over the last 5 years or so, the Service has required funding to come along with land for management and monitoring purposes. It may seem like the best option, however it could be complicated based on funding needs alone.

DEPUTY MAYOR MCCANN stated that SUPERVISOR COX had good ideas and he has contacts with Congressman Filner's office.

BAHL asked for clarification regarding adding "property owners" to the motion. BAHLE asked if the intention is to go beyond the developers and actually looking at each APN and property owner and inviting them to the meeting.

DEPUTY MAYOR MCCANN stated it should be property owners who would convey lands to the POM or would be affected by it. DEPUTY MAYOR MCCANN accepts staff's recommendation with the amendment that staff should also obtain feedback from property owners who may convey lands to the POM in addition to the Wildlife Agencies and the Working Group.

SUPERVISOR COX seconded the motion. Motion carried.

5. Finance

(V.A.) MCNEELEY provided an update on the current FY08-09 budget. The beginning FY08-09 Fund Balance was \$378,274. The estimated budget for FY08-09 is \$505,500. The City went to their CFD consultants and they determined that the City would go out for \$510,339 which is the maximum tax levy amount the City could go out. The City received its first collection which was due December 10th. Revenues received as of January 22nd, totals \$213,000. This is a shortfall of what was estimated to be received. A second installment is due April 10th. At that point in time, the City will reassess the collections and determine if the delinquency rate remains at 16%. POM staff will take that into consideration as we move forward with remaining fiscal year expenditures. To date, expenditures total approximately \$70,000. Staff anticipates additional expenditures associated with staff time, costs for biological surveys being completed by our consultants, Dudek. They are to provide us with a draft biological report by June or July. That cost of \$60,000 will be added to the expenditures.

SUPERVISOR COX asked for clarification on the delinquency rate. SUPERVISOR COX asked if it was at 16%.

MCNEELEY stated that based on the first installment collection totaling \$213,000, the delinquency rate is at 16%. The City has consulted its Finance staff and they believe it is fairly too early to determine the delinquency rate at this time. The City will track additional collection amounts through April and factor that into the delinquency rate.

SUPERVISOR COX stated that he spoke with the County's Treasurer/Tax Collector and surprisingly, the delinquency rate is less this year than it was

last year. However there have been a number of foreclosures in the Otay Ranch area. Ironically, with more foreclosures, the banks are more inclined to pay the taxes earlier than later due to the penalties.

MCNEELEY stated that the City will continue to monitor the collections and will provide an update to the PMT and Policy Committee at their next meetings. Prior to receiving the first installment collection amount, POM staff reviewed the current year budget and identified funds that were not going to be expended this year in part because the assumed acreage of lands to be conveyed to the POM did not come in. Therefore, there was no need to complete baseline surveys. Staff needed to identify priority tasks that the money could be used for. Staff held Working Group meetings in December and January to come up with priority tasks. POM staff identified that there was approximately \$340,000 that could be reallocated. This is the maximum amount that could be collected, however, if that amount is not realized, tasks have been prioritized. Based on Working Group input, POM staff proposed that the funds be reallocated as follows: Surveying of an additional 286 acres of suitable CAGN habitat (\$10,000); Spring floral survey (\$15,000); Quino survey (\$56,000); Two additional Herp survey sessions (\$8,200); Cultural surveys San Ysidro parcel (\$25,000); On-going biological surveys (\$65,000); Updated RMP/Preserve Biologist (\$100,000); and As-needed management and monitoring (\$60,800). In light of the recent collection amount, staff is being sensitive to the fact that the entire \$340,000 may not be collected.

MCNEELEY stated that the PMT took action to move forward with the surveying of an additional 286 acres of suitable CAGN habitat (\$10,000); Spring floral survey (\$15,000); Quino survey (\$56,000); Two additional Herp survey sessions (\$8,200). This would allow baseline data to be completed for lands currently conveyed to the POM. The additional tasks would need to be reconsidered with the emphasis that there is a need for a Preserve Biologist. The PMT directed POM staff to meet with the Working Group to define the scope of work for the Preserve Biologist. A Preserve Biologist is needed so that there is a person that is very familiar with the preserve in an "on-the ground" sense. They could provide the POM with technical expertise and the needs of the Preserve. The outcome of the scope of work will be presented to the PMT and have them approve the scope of work and prioritize any remaining tasks.

MCNEELEY stated POM staff, with the support of the PMT, recommends that the Policy Committee approve the allocation of a portion of the potential FY08-09 rollover funds to complete Spring Surveys as recommended by the Working Group. These include surveying of an additional 286 acres of suitable CAGN habitat (\$10,000); Spring floral survey (\$15,000); Quino survey (\$56,000); Two additional Herp survey sessions (\$8,200). POM staff also recommends that the Policy

Committee direct POM staff to prepare a scope of work for a Preserve Biologist in coordination with the Working Group; Direct POM staff to present the scope of work to the PMT for consideration at a Special PMT meeting which will need to be scheduled prior to the next regularly scheduled PMT meeting in April; and Delegate authority to the PMT to review and approve the proposed funding and scope of work for a Preserve Biologist, as well as, approve the reallocation of the potential remaining FY08-09 rollover funds. The PMT shall further direct POM staff to move forward with the agreed upon PMT recommendation.

KILKENNY stated he is generally supportive of the recommendation. The Otay Ranch Company's primary goal is to have the Preserve implemented, for monitoring and conservation efforts on the ground to occur. Over the last couple of years progress has been made to move towards that. Otay Ranch Company's secondary goal is that the commitments towards the MSCP, in which the RMP is incorporated in the MSCP, are honored especially the monitoring so that the MSCP permits and are secured. KILKENNY is particularly concerned with on-the-ground efforts and supports the recent discussions to have a Preserve Biologist that would be on-the-ground. There is still a concern on the amount of money being used for administration costs. Part of that is a function of having two jurisdictions designated as the POM and some work may be duplicated and there are also some issues that become political. Another concern is on-the-ground management. The management has to make the preserve system work physically and biologically. In that regard, expenses for a ranger should be minimized and expenses for a biologist maximized. A biologist on-the-ground can notify the necessary enforcement units if there are trespassing or dumping issues and can perform biologist duties. With respect to cultural surveys, this should be the lowest priority. Cannot find any language in the general plan or RMP that requires these surveys. At one time there was a requirement for the property owner to complete surveys parcel-wide and that has been eliminated. It shouldn't be replaced with public monies. No development is proposed by the San Ysidro POM property and development lands adjacent to it were purchased by conservation agencies. Relative to cultural resources, if you find them you mitigate by either recovering them and testing for significance or you leave them in place. On the San Ysidro parcel, if cultural resources were found, they would be left in place. The Otay Ranch Company paid for cultural surveys on all of the Otay Valley parcel in 1995. This information has probably not been touched for public purposes. There is no public value. It wasn't a priority in the general plan or RMP and it shouldn't be a priority today.

HIMES stated that for the Wildlife Agencies, having a Preserve Biologist on-the-ground is their biggest priority. Currently, the Agencies don't believe they have anyone that can tell them what is going on in the

Preserve or anyone who could identify priority tasks for the Preserve. HIMES emphasized that the PMT should be delegated to approve the scope of work so that the money is encumbered in a contract by June.

RIKKI SCHROEDER stated she agreed that a Preserve Biologist is needed because the RMP is an adaptive management plan. In order for it to be adaptive and responsive, a biologist is needed on-the-ground. Cultural surveys should not be a high priority unless a trail head, trails, restrooms, or an interpretive center is to be built.

WALLAR stated that the County agrees that a biologist is preferred over a ranger. It sounds like everyone is in agreement that we need to draft and review the scope so that there isn't a need for two separate individuals to be out on-the-ground. One person should be able to handle both duties. In regards to cultural surveys, the County is in agreement as well. If development is not proposed, the surveys are not needed.

City of Chula Vista/GARY HALBERT stated the City is also in agreement.

SUPERVISOR COX asked if the Policy Committee needs to take action.

LUNDSTEDT stated that the Policy Committee would need to delegate authority to the PMT. The Policy Committee already approved the FY08-09 Budget at the last Policy Committee meeting. As the budget has evolved and it was realized that some of the funds were not going to be expended as anticipated, this is an extra exercise. The Policy Committee would need to delegate authority to the PMT to keep the budget on track.

SUPERVISOR COX asked how much is proposed for cultural surveys.

LUNDSTEDT stated that \$25,000 was proposed but that is not set in stone.

SUPERVISOR COX asked if this was from the existing or proposed budget.

LUNDSTEDT stated from the existing budget.

WALLAR clarified that the PMT concurred on the spending plan in regards to surveying the additional 286 acres of suitable CAGN habitat (\$10,000); Spring floral survey (\$15,000); Quino survey (\$56,000); Two additional Herp survey sessions (\$8,200). The PMT did not concur on the spending plan in regards to Cultural surveys San Ysidro parcel (\$25,000); On-going biological surveys (\$65,000); Updated RMP/Preserve Biologist (\$100,000); and As-needed management and monitoring (\$60,800). The

PMT directed staff to meet with the Working Group to obtain their input on the funds that the PMT did not concur on.

HALBERT stated that the PMT also directed staff to analyze if the biologist could also complete tasks associated with the On-going biological surveys (\$65,000); Updated RMP/Preserve Biologist (\$100,000); and As-needed management and monitoring (\$60,800). There maybe some combination in the funds.

LUNDSTEDT when the Policy Committee approved the budget, it approved the general amounts under each category. For example, there is an amount approved for monitoring and that will remain the same, however tasks will now be reprioritized under that category based on input from the Working Group and stakeholders.

SUPERVISOR COX asked for clarification on when the roll-over funds needed to be encumbered.

LUNDSTEDT stated that the City has been flexible. Typically the City would like to receive invoices by June 30th so that the funds are actually spent within the fiscal year. However, City POM staff has worked with the City finance and engineering staff, and they have been accommodating in that as long as the funds are encumbered in a contract, the funds will be considered encumbered for those tasks even though the funds aren't actually spent within the budgeted fiscal year. The City has been more flexible so that the funds don't go back into the reserves. POM staff would like direction before June so that the contract can be set and funds encumbered for the biologist.

GODDARD clarified that the County has an existing contract with Dudek who will perform the additional tasks as approved by the PMT. These tasks include surveying the additional 286 acres of suitable CAGN habitat (\$10,000); Spring floral survey (\$15,000); Quino survey (\$56,000); Two additional Herp survey sessions (\$8,200). The Dudek contract is currently being amended and should be completed within the next weeks so that Spring surveys can move forward. Additionally, the County is drafting an as-needed contract for future tasks. These tasks could be absorbed under the umbrella contract.

BAHL stated that the as-needed contract will include the Preserve Biologist.

SUPERVISOR COX stated that things should move as expeditiously as they can. By the next Policy Committee meeting things should be more flushed out. SUPERVISOR COX stated that the position should be a contract biologist as opposed to a City or County staff position to avoid the

vagaries of funding year to year. Staff should work on having someone out in the Preserve regularly and on a full-time basis. There is value there to have a biologist on-the-ground versus a park ranger. Their expertise and being able to be on-the-ground will discourage people from doing things they aren't supposed to be doing and they can report things that can be followed up by the Sheriff's or by the City. There is agreement that a biologist is a high priority and this should be flushed out by the next meeting.

MCCANN stated that he is in concurrence. The first priority is to obtain a biologist - someone who is on-the-ground monitoring the day-to-day operations.

SUPERVISOR COX asked if baseline surveys needed to be completed on every acre of land that is conveyed or can SANDAG's data collected on their monitoring efforts on a region-wide level be used. The costs for baseline surveys are estimated at \$225 per acre.

MCNEELEY stated that POM staff is coordinating with the Wildlife Agencies and the Working Group in order to insure that the POM is not completing duplicative work. POM budget may be reduced since the Wildlife Agencies through recent Transnet funds were able to do some of the surveys.

MCCANN stated that conservation and the biology are the highest priority. If cultural surveys aren't going to add any public value, the money should be reallocated to conservation and biology tasks in order to realize the mission of the POM.

SUPERVISOR COX made a motion to approved the recommendation as presented by staff.

MCCANN seconded the motion. Motion carried.

(V.B) MCNEELEY summarized the line items for the proposed FY09-10 budget. Administration totals \$126,025. This includes the cost for a CFD consultant. The City has retained a CFD consultant to assist in determining the maximum tax rate as well as the distribution of rates within the various categories within the district. Administration costs also includes County and City staff time. Preserve Operation and Maintenance totals \$77,740. As a part of this cost, the Seasonal Park Attendant position is proposed to be converted to a Park Ranger position. If the POM does not receive an additional 700 acres by the middle of FY09-10, the Seasonal Park Attendant position will not be converted and the remaining funds may be reallocated to additional management or monitoring tasks, as-needed. Resource Monitoring Program totals

\$267,500 for baseline surveys on new lands conveyed to the POM and on-going monitoring for lands currently under POM ownership. POM staff is exploring using these funds for a Preserve Biologist. The total FY09-10 budget is \$471,265. Staff recognizes that the delinquency rate may be potentially higher, therefore staff was sensitive to proposed expenditures and utilized a 5-year budget table. Staff proposes the expenditure total of \$471,265 is a reasonable amount that may be collected. The City will levy for that amount as the maximum tax amount. A roll-over of \$60,000 is shown from FY07-08 to fund the existing contract with Dudek and will be paid out once the baseline surveys have been finalized. A roll over amount of \$340,000 is shown from FY08-09 and is the assumed amount the City can collect. That amount will likely be reduced and will be monitored as the second installment date approaches. The grand total for FY09-10 is approximately \$870,000. The City will go out to levy for \$471,265 and have the CFD consultant determine what the maximum tax rate will be. Staff will update the Policy Committee at their next meeting.

TOMLINSON asked for clarification on the amount to be levied. TOMLINSON asked if the maximum amount should be levied versus the budget total because of the delinquency rate.

MCNEELEY stated that it is assumed that the City will go out for the maximum amount. It is in the POM's best interest to do so to insure the full amount is collected including additional amounts that could be bumped into the reserves.

HIMES suggested that it would be a good idea to revise the budget table after the Working Group provides input on the Preserve Biologist and how the preserve will be managed and monitored. Currently there are no line items for management tasks but there are a couple of line items for monitoring tasks which could be combined under a Preserve Biologist line item.

MCNEELEY stated that the budget is presented as is based on input from the City's finance staff. Ultimately it can be modified to address the specific needs however the budget total should remain at \$471,265.

SUPERVISOR COX asked if the \$471,265 is based on the parcels currently managed by the POM.

HALBERT stated that it is an estimate on what the City will receive based on those predicated lands. The amount to be levied will be higher with the assumption that there will be some tax bills that are not collected.

WALLAR asked if the levy will be \$505,000 with the anticipation that the actual collection will be \$471,265.

MCNEELEY stated that the \$505,000 was the levy for this current fiscal year.

SUPERVISOR COX asked if these are for full parcels within the Otay Ranch.

MCNEELEY stated yes.

SUPERVISOR COX stated that some parcels have not been developed yet and so their tax rate will be less than those that have been developed and built.

MCNEELEY stated yes. There is a specific rate and method of appropriation that establishes the rate based on the specific type of use.

SUPERVISOR COX asked if there is any action that the Policy Committee needs to take on this item.

MCNEELEY stated that the budget is being presented as an informational item.

SUPERVISOR COX stated he expected more details at the next meeting including discussions regarding the biologist.

(V.C) MCNEELEY stated that POM staff was directed to prepare a 5-year budget forecast at the last Policy Committee meeting. Staff has prepared a budget forecast through FY13-14. The table shows projected expenditure and levy amounts through FY13-14. POM staff is using the table as a tool to factor in delinquency rates and potential revenue. The City has worked with its Finance staff in order to use appropriate assumptions to generate the table. The table also identifies the health of the reserve. Ideally, the reserve should be maintained at 75%. By law, through City Ordinance, the reserves must be at a minimum of 50%. The table was created using a number of assumptions which are listed on the table. It factors in the governor's index rate and CPI, the number of parcels to be taxed in a given year, and the maximum tax for the year. The maximum tax is dependent on the health of the reserve, the governor's index, and the CPI. Based on the last PMT meeting it was recognized that this table is a useful tool in determining proposed expenditures and potential collection amounts. The table will be updated as new information becomes available and will be presented throughout the year to show how the numbers are being maintained.

SUPERVISOR COX asked for clarification regarding the number of taxable parcels. It remains at 9,536 through the entire forecast.

SUPERVISOR COX asked if this is an indication of a slow down in development.

MCNEELEY stated that staff assumed worst-case scenario based on the current state of the economy. It will be updated with input from City engineering staff to include any developments within the Eastern Urban Core as well as the University site. The City anticipates that those units being built and taxable will be in 2012/2013. The numbers are estimates and will be refined with input from City engineering staff.

6. Next Policy Committee Meeting

(VII.) MCCANN stated that schedules will need to be coordinated.

SUPERVISOR COX directed staff to review the Resource Management Plan that was approved in the 90's. Modifications have been made by the City and the County. Since many things have happened since the adoption of the Resource Management Plan including the adoption of the MSCP and the Refuge, different developments and conveyances have occurred, the Salt Creek sewer has been built, SR125, County's General Plan update, it will be nice to have one updated document that is consistent for the County and the City. This document should be reviewed every 5 years. It shouldn't be a lengthy task and it shouldn't be one that a biologist completes. SUPERVISOR COX directed staff to report back at the next meeting on how big of a project it really is to update the Resource Management Plan and the timeframe it would take to complete.

MCCANN concurred and seconded the motion. Motion carried.

HIMES stated that KILKENNY provided updates to POM staff at the end of last year. The Wildlife Agencies have not seen KILKENNY'S draft but has requested it from KILKENNY for their review. The update has already been initiated.

RANIE HUNTER stated that Otay Ranch Company is proposing Village 13 in the County. It is important to process the updates to Phase 2 Resource Management Plan in order to have the documents in place to move forward with the Resort. It will be helpful if both jurisdictions concurred on the same updated document.

LUNDSTEDT clarified that there is a Phase 1 and Phase 2 Resource Management Plan. Phase 1 is the policy document and there is not many changes with that document. As HIMES mentioned, KILKENNY submitted a draft Phase 2 Resource Management Plan and that is what staff is focusing on. Once staff completes review, staff will coordinate with the Wildlife Agencies.

SUPERVISOR COX agreed that the focus should be on Phase 2 Resource Management Plan.

MCCANN requested that for the next meeting, that the room be set-up similar to how it is set-up for the OVRP Policy Committee meeting with SUPERVISOR COX and himself in the middle with staff on either side.

8. Adjournment

(VIII.) MCCANN adjourned the meeting at 3:22pm.

ATTACHMENT A

MEETING SIGN-IN SHEET

Project: Otay Ranch Preserve
Policy Committee Meeting

Meeting Date/Time: February 4, 2009, 2:00-4:00 pm

Place/Room: 1800 Maxwell Road, Lunch Room
Chula Vista, CA 91911

[illegible]

FUTURE POM ALTERNATIVES
05.13.09

	Existing POM	Agencies (NWR, CDFG, & BLM) manage lands east of Otay Lakes/Determine appropriate POM for remaining conveyed preserve lands	Third Party POM	Jurisdictional POMs Option 1: Each jurisdiction is responsible for implementing POM tasks and responsibilities as outlined in the RMPs on conveyed preserve land within their respective jurisdiction	Jurisdictional POMs Option 2: Each jurisdiction is responsible for implementing POM tasks and responsibilities as outlined in the RMPs on conveyed preserve land associated with a development project within their respective jurisdiction
PROS/STRENGTHS	<ul style="list-style-type: none">+ County and City are currently serving as preserve land managers+ County and City have served as the POM for 12 years and have the experience and resources to manage the Preserve	<ul style="list-style-type: none">+ USFWS service will take on the management and monitoring requirements of all lands transferred to them+ USFWS will manage the lands at no cost to Otay Ranch projects+ The County and City will need to identify a POM for a smaller portion of land, which may be more manageable for a non-profit organization, or third-party POM.+ The existing POM, or an alternative POM, can focus more on recreation, and environmental education and research projects in the Otay Valley Parcel. These efforts can be coordinated with the Otay Valley Regional Park (OVRP) Joint Staff.+ It is unlikely that the County or the City will have the need to levy for the maximum assessment amounts possible	<ul style="list-style-type: none">+ One entity will be responsible for all POM tasks, i.e. resource protection, monitoring and management, environmental education, research, recreation, and enforcement activities+ Third Party POM may be able to spend more time completing on-the-ground management tasks than administrative tasks+ Because the Third Party POM may have more time for on-the-ground management tasks, they will have the technical knowledge of specific resource needs and priorities+ With the technical knowledge of specific resource needs and priorities, a Third Party POM will have better cost estimates on needed management and monitoring tasks.+ With a Third Party POM, the PMT and Policy Committee could choose to meet less often, twice a year vs. quarterly	<ul style="list-style-type: none">+ County and City can serve as preserve land managers+ Eliminate the need for a joint PMT and Policy Committee+ Policy issues would be resolved by each respective jurisdiction	<ul style="list-style-type: none">+ County and City can serve as preserve land managers+ Eliminate the need for a joint PMT and Policy Committee+ Policy issues would be resolved by each respective jurisdiction+ Budget issues would be resolved by each respective jurisdiction+ County and City will be independent POMs to conveyed preserve lands associated with development projects within their respective jurisdiction
CONS/RISKS	<ul style="list-style-type: none">- County and City will need to rely on biological consultants to conduct species-specific management and monitoring tasks.- Because the County and the City are joint POMs, policy decisions must be resolved jointly. Policy decisions require a unanimous vote by the Policy Committee. If a unanimous vote cannot be reached, it may require mediation, and may hold up pending conveyances until the policy issue is resolved, i.e. future infrastructure.- The PMT and Policy Committee currently meet quarterly which requires staff to focus more on administrative tasks than on-the-ground management tasks or focusing on potential environmental education/research projects.	<ul style="list-style-type: none">- Unknown timing on when the USFWS will implement the agreement- A POM will still need to be identified for remaining preserve lands	<ul style="list-style-type: none">- Limited qualified candidates- Previously, the County and City could not find an acceptable candidate to serve as POM. To date, the City is unable to find an acceptable entity that is willing to accept the management and monitoring responsibilities of Chula Vista MSCP Preserve land.- Third Party POM is similar to the existing POM structure in that there is still the need for a County and City POM Policy Committee, PMT, and Staff to review the Third Party POM monitoring reports and ensure that the RMP tasks and all POM responsibilities are being completed.- If policy issues arise, they will need to be resolved jointly by the County and the City see (see Existing POM Cons/Risks).	<ul style="list-style-type: none">- The County and the City may contract with different consultants to complete baseline and on-going monitoring. Standard survey methodologies and reporting forms should be utilized to insure consistency.- The County and City will need to agree on per acre rates for management and monitoring costs of conveyed preserve lands.- Economy of scale for the management and monitoring of the preserve will be reduced	<ul style="list-style-type: none">- The County and the City may contract with different consultants to complete baseline and on-going monitoring. Standard survey methodologies and reporting forms should be utilized to insure consistency.- Economy of scale for the management and monitoring of the preserve will be reduced

(cont'd)	Existing POM	Agencies (NWR, CDFG, & BLM) manage lands east of Otay Lakes/Determine appropriate POM for remaining conveyed preserve lands	Third Party POM	Jurisdictional POMs, Option 1: Each jurisdiction is responsible for implementing POM tasks and responsibilities as outlined in the RMPs on conveyed preserve land within their respective jurisdiction	Jurisdictional POMs, Option 2: Each jurisdiction is responsible for implementing POM tasks and responsibilities as outlined in the RMPs on conveyed preserve land associated with a development project within their respective jurisdiction
<p>IMPLEMENTATION STEPS</p> <p>NOTES:</p> <p>1. All POM alternatives with the exception of Existing POM will require County and City to amend or dissolve current Otay Ranch JPA and amend RMP (requires Board of Supervisor and City Council action)</p> <p>2. POM staff to update and provide recommendations to the PMT and PC at critical points of any alternative(s) chosen.</p>	N/A – Status Quo	<p>Preserve Lands east of Otay Lakes</p> <p>1. County and City to begin discussions w/Agencies’ Land Managers regarding transferring management and monitoring responsibilities of conveyed and future conveyances into the Otay Ranch Preserve lands to the Agencies</p> <p>2. County, City, and agreeable Agencies to determine distribution of lands</p> <p>3. Agencies to identify conditions and requirements for land transfers</p> <p>4. County and City to determine if land transfer conditions and requirements can be met</p> <p>5. If conditions can be met, County, City, and agreeable Agencies to draft a MOU. MOU to include the following:</p> <ul style="list-style-type: none">▪ A condition that Agencies manage and monitor lands at no cost to Otay Ranch▪ A condition that Agencies manage and monitor lands per MSCP requirements▪ A process on transferring future conveyances from developers to the Agencies <p>6. Enter into a MOU with agreeable Agencies (requires Board of Supervisors and City Council action)</p> <p>7. County and City to provide evidence that lands currently conveyed to the POM meet the Agencies’ conditions and requirements</p> <p>8. If the conveyed lands meet the Agencies’ conditions and requirements, County and City to quitclaim the San Ysidro property (517 acres) and transfer it to the accepting Agency</p> <p>Remaining conveyed preserve lands</p> <p>9. City and County to decide appropriate POM for remaining conveyed Preserve lands</p> <ul style="list-style-type: none">▪ POM staff to consider Working Group comments on the POM alternatives then rank the remaining three POM alternatives accordingly▪ POM staff to make recommendation to the PMT and PC	<p>1. County and City to discuss and come to consensus on the following:</p> <ul style="list-style-type: none">▪ Qualification for Third Party POM,▪ Roles of the County and City, including the administration of the contract, and;▪ Whether to continue or terminate contract with current Preserve Steward/Biologist. <p>2. Meet with Working Group to re-evaluate POM qualifications, discuss roles, responsibilities, and goals of the Third Party POM</p> <p>3. Amend the JPA and RMP:</p> <ul style="list-style-type: none">▪ Redefine roles for County and City▪ Identify the responsibility of the Third Party POM▪ Change JPA to state title to the lands to be conveyed will be held by Third Party POM <p>4. County and City advertise a Request for Statements of Qualifications for a Third Party POM (the SOW will be similar to the Preserve Biologist/Steward SOW)</p> <p>5. County and City interview qualified candidates</p> <p>6. County and City select a Third Party POM</p> <p>7. County, City, and Third Party POM enter into a three-party contract (may require City Council action)</p> <p>8. Meet with Working Group and Third Party POM to determine priorities and establish work plan</p> <p>9. Present work plan to the PMT and PC for approval and initiation</p> <p>Note: County and City POM Policy Committee, PMT, and Staff shall continue to review the Third Party POM management and monitoring reports to ensure that the RMP tasks and all POM responsibilities are being completed. County and City POM Policy Committee would continue to take action on Policy issues.</p>	<p>1. Dissolve JPA and amend RMP:</p> <ul style="list-style-type: none">▪ Each jurisdiction will solely be responsible for policy interpretations and/or future amendments to the documents originally approved jointly by the County and the City <p>Redefine POM Management Structure including the roles of the County and City</p> <p>2. Review MSCP requirements with Wildlife Agencies in order to determine if a MOU between the County, City, and Wildlife Agencies is needed to clarify MSCP obligations</p> <p>3. Draft MOU between County and City. MOU to identify a funding agreement.</p> <ul style="list-style-type: none">▪ Funding agreement is needed as development impacts and associated CFD may be located in one jurisdiction and the associated conveyance land may be in the other jurisdiction.▪ Funding agreement to include a per acre cost to manage and monitor the land▪ Funding agreement to include a payment schedule <p>4. County and City to enter into the MOU</p> <p>5. Each jurisdiction to manage and monitor conveyed lands within their jurisdiction independently.</p> <ul style="list-style-type: none">▪ Each jurisdiction may choose to manage and monitor the conveyed lands via hiring a Preserve Biologist/Steward or hiring consultants to complete required biological and cultural surveys (as-needed). <p>6. Each jurisdiction independently advertises for a Preserve Biologist/Steward or consultant</p> <p>7. Each jurisdiction interviews qualified candidates.</p> <p>8. Each jurisdiction independently selects a Preserve Biologist/Steward or consultant.</p> <p>9. Each jurisdiction independently enters into a contract with their selected candidate (may require City Council action).</p>	<p>1. Dissolve JPA and amend RMP:</p> <ul style="list-style-type: none">▪ Begin discussions to determine a process for future policy interpretations and/or amendments to the jointly approved documents (GDP/SRP and RMPs)▪ Redefine POM Management Structure including the roles of the County and City <p>2. Draft MOU between County and City. MOU to determine how each jurisdiction shall conduct management and monitoring on conveyed Preserve lands the RMP</p> <p>3. Review of MSCP requirements with Wildlife Agencies in order to determine if a separate agreement is needed between the County, City, and Wildlife Agencies to clarify MSCP obligations</p> <p>4. Appropriate parties to enter into the MOU</p> <p>5. Each jurisdiction may choose to manage and monitor the conveyed lands via hiring a Preserve Biologist/Steward or hiring consultants to complete required biological and cultural surveys (as-needed).</p> <p>6. Each jurisdiction independently advertises for a Preserve Biologist/Steward or consultant</p> <p>7. Each jurisdiction interviews qualified candidates.</p> <p>8. Each jurisdiction independently selects a Preserve Biologist/Steward or consultant.</p> <p>9. Each jurisdiction independently enters into a contract with their selected candidate (may require City Council action).</p>

(cont'd)	Existing POM	Agencies (NWR, CDFG, & BLM) manage lands east of Otay Lakes/Determine appropriate POM for remaining conveyed preserve lands	Third Party POM	<div>Jurisdictional POMs</div> <div>Option 1:</div> <div>Each jurisdiction is responsible for implementing POM tasks and responsibilities as outlined in the RMPs on conveyed preserve land within their respective jurisdiction</div>	<div>Jurisdictional POMs</div> <div>Option 2:</div> <div>Each jurisdiction is responsible for implementing POM tasks and responsibilities as outlined in the RMPs on conveyed preserve land associated with a development project within their respective jurisdiction</div>
FEASIBILITY	N/A – Status Quo	<div>- Will the USFWS take lands east of Otay Lakes within the NWR without a funding source?</div> <div>- Will the County, City, and City of SD, as the signatories to the OVRP JEPA, want to absorb POM responsibilities for the Otay Valley parcel Preserve lands?</div>	<div>- Are there qualified candidates for this size of a Preserve?</div> <div>- How different is a Third Party POM from the status quo?</div>	<div>- County and City will need to come to consensus on a funding agreement.</div> <div>- Legal consultation is needed to determine how jointly approved documents (GDP/SRP and RMPs) will be implemented or amended if County and City are each solely responsible for policy interpretations and/or future amendments to the documents</div>	Legal consultation is needed to determine how jointly approved documents (GDP/SRP and RMPs) will be implemented or amended if County and City are each solely responsible for policy interpretations and/or future amendments to the documents
ESTIMATED TIMELINE	N/A – Status Quo	<div>Lands east of Otay Lakes</div> <div>- Dependent on on-going discussions with the Agencies and if County and City can meet the Agencies’ land transfer conditions and requirements.</div> <div>Remaining conveyed preserve lands</div> <div>- Dependent on which POM structure is chosen</div>	6 months - 1 year	6 months - 1 year	6 months - 1 year



California Natural Resources Agency
DEPARTMENT OF FISH AND GAME
South Coast Region
4949 Viewridge Avenue
San Diego, CA 92123
(858) 467-4201
<http://www.dfg.ca.gov>

ARNOLD SCHWARZENEGGER, Governor
DONALD KOCH, Director



May 18, 2009



Renée E. Bahl, Director
County of San Diego
Department of Parks and Recreation
9150 Chesapeake Drive, Suite 200
San Diego, Ca 92123

Dear Ms. Bahl:

The Department of Fish and Game (Department) received on April 27, 2009, the County of San Diego - Department of Parks and Recreation's (Hereinafter referred to as County Parks) request for a Right of Entry to the Department's Otay Mountain Ecological Reserve (Reserve), located adjacent to the Otay Ranch Preserve Lands, and located in San Diego County. The request was to allow access to lands managed and monitored by the Otay Ranch Preserve Owner/Manager (Otay Ranch POM), a joint powers agency comprised of County Parks and the City of Chula Vista.

As the Otay Ranch Preserve has been designed and will be managed specifically for protection and enhancement of multiple species present on Otay Ranch, the Otay Ranch POM is hereby granted the right to enter the Reserve and use existing roads within the Reserve for the purpose of monitoring and maintaining the biological resources of the lands being conveyed by McMillin Company and Otay Ranch Company, as shown in your submission to the Department with your request. The access is granted until terminated by written notice from either party to the other.

Terms and Conditions:

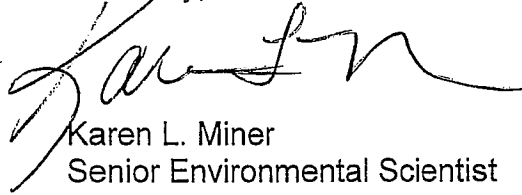
- 1) No staff or equipment is allowed off road at anytime;
- 2) No native plants and/or animals will be damaged and/or harmed in any way;
- 3) The State of California shall not be liable and the County of San Diego, City of Chula Vista (Otay Ranch POM) and/or their associates and assistants shall indemnify, hold harmless and at the option of the State, defend the State, its officers, agents, and employees against and for any and all liability, claims, damages or injuries of any kind and from any cause, arising out of or connected in any way with the exercise of this Right of Entry;

4) This letter does not authorize access to any other areas of the Reserve without the written consent, nor does it authorize access to properties adjacent to the Reserve.

The Department's Reserve Manager is Mr. Tim Dillingham. Please coordinate any access issues with him. He can be reached by phone: (858) 467-4204 or by email: tdilling@dfg.ca.gov.

If there are questions or concerns about this letter, please contact me at the letterhead address, or by telephone at (858) 627-3939, or by fax at (858) 467-4299.

Sincerely,



Karen L. Miner
Senior Environmental Scientist
Lands Program Supervisor
South Coast Region

Attachment: Request for Right of Entry dated April 27, 2009

cc: California Department of Fish and Game
Tim Dillingham, San Diego
Captain Angel Raton, San Diego



County of San Diego

DEPARTMENT OF PARKS AND RECREATION

RENÉE E. BAHL
DIRECTOR

Administrative Office: (858) 694-3030
Fax: (858) 495-5841
Reservations: (858) 565-3600

www.sdparks.org

April 27, 2009

Niki McGinnis
Watershed and Resource Protection
City of San Diego Water Department
600 'B' Street, 11th Floor, MS 911
San Diego, CA 92101

Dear Ms. McGinnis:

RE: RIGHT OF ENTRY REQUEST TO OTAY RANCH PRESERVE LANDS

The Otay Ranch Preserve (Preserve) is a hard-line preserve and includes over 11,000 acres to be set-aside as mitigation for impacts to sensitive resources resulting from Otay Ranch development that will occur both within the County of San Diego (County) and the City of Chula Vista (City). See attached Exhibit "A" for a location map of the Preserve. The Preserve has been designed and will be managed specifically for protection and enhancement of multiple species present on Otay Ranch. These dedicated conservation lands will also serve to connect large areas of open space through a series of wildlife corridors, including connections between regional open spaces such as Otay Reservoir and San Miguel Mountain. The County and the City, currently serving as the Otay Ranch Preserve Owner/Manager (POM), manage and monitor lands conveyed to the Preserve.

As POM staff has previously discussed, the County and the City are in the process of accepting title to property within the Preserve. The County and the City require access to the Preserve lands for the purpose of monitoring and maintaining the biological resources of these lands in perpetuity. The property owner conveying the Preserve lands is also granting the County and the City access over surrounding property they own via dirt roads that currently exist. At this time, the County and City are in the process of accepting title to several parcels currently owned by McMillin Company and



Right of Entry Request
to Otay Ranch Preserve Lands

April 27, 2009

Otay Ranch Company. These parcels in question are located to the southeast (Exhibit "B") and north (Exhibit "C") of the Lower Otay Lake Reservoir.

In order to have continuous access to these parcels and the overall Preserve lands, the County, City, and/or its designee will need access to an existing dirt road as it passes through the following parcels currently owned by the City of San Diego, Water Department.

APN 595-050-12
APN 595-050-13
APN 647-020-11
APN 647-030-02

The City of San Diego owned parcels and the access roads to be used by the County, City, and/or its designee are also shown on the attached Exhibits "B" and "C". Currently the land surrounding the City of San Diego's parcels remain undisturbed and are owned by various private and public agencies, such as U.S. Fish and Wildlife Service and the California Department of Fish and Game.

By signing below, the City of San Diego, Water Department confirms receipt of this letter and hereby grants permission to the County of San Diego, City of Chula Vista, and/or its designee to use the subject access road over City of San Diego, Water Department owned land until terminated by written notice from either party to the other.

POM staff looks forward to working with the City of San Diego on the conservation, management, and monitoring of Otay Ranch Preserve lands. If you have any questions regarding this letter, please contact Megan Hamilton, County Group Program Manager at 858-966-1377 or megan.hamilton@sdcounty.ca.gov or Josie McNeeley, City Associate Planner at 619-409-5422 or jmcneeley@ci.chula-vista.ca.us.

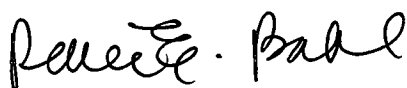
Owner: City of San Diego, Water Department

By: _____

Title: _____

Date: _____

Sincerely,



RENÉE E. BAHL, Director
County of San Diego Department of Parks and Recreation

Right of Entry Request
to Otay Ranch Preserve Lands

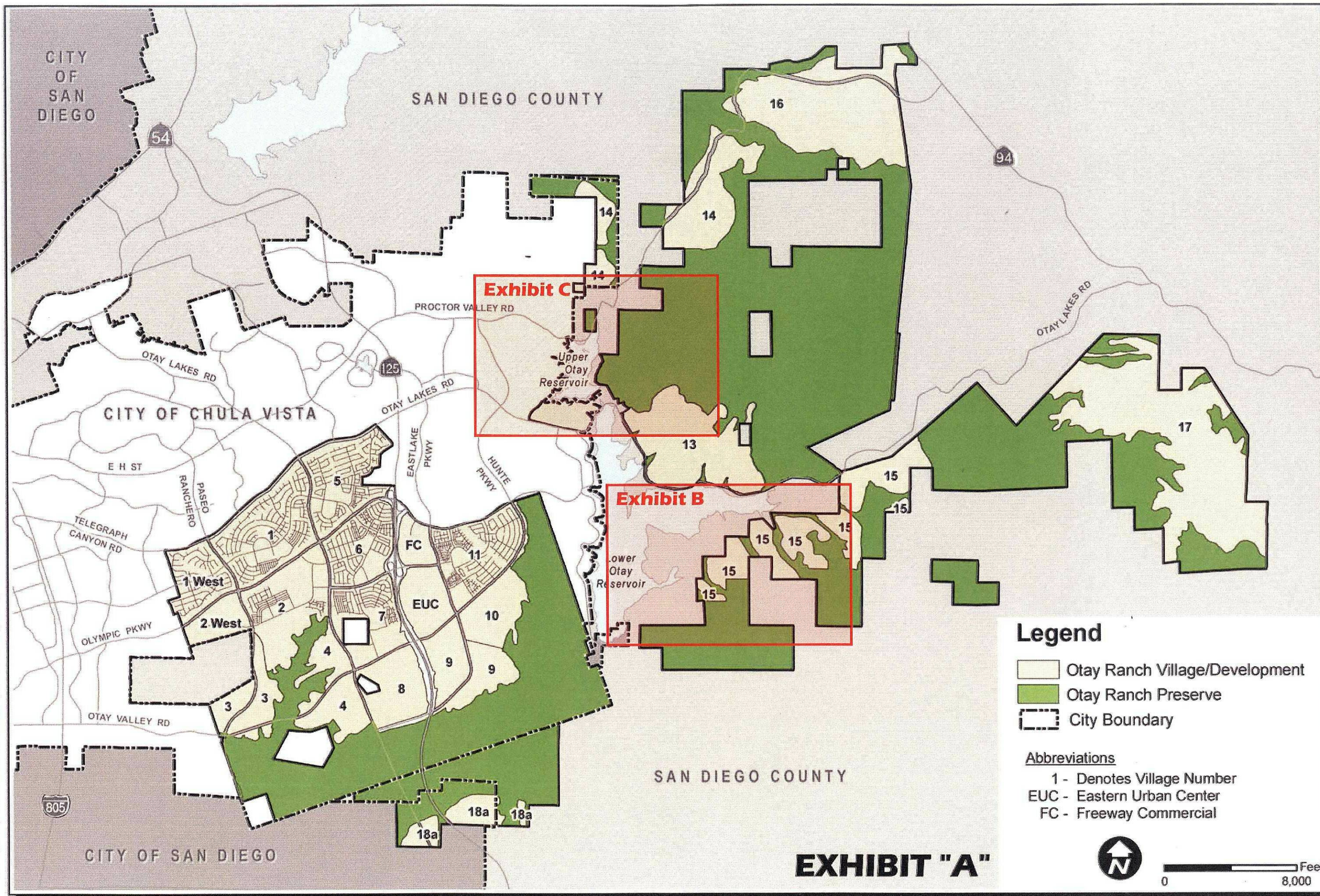
April 27, 2009

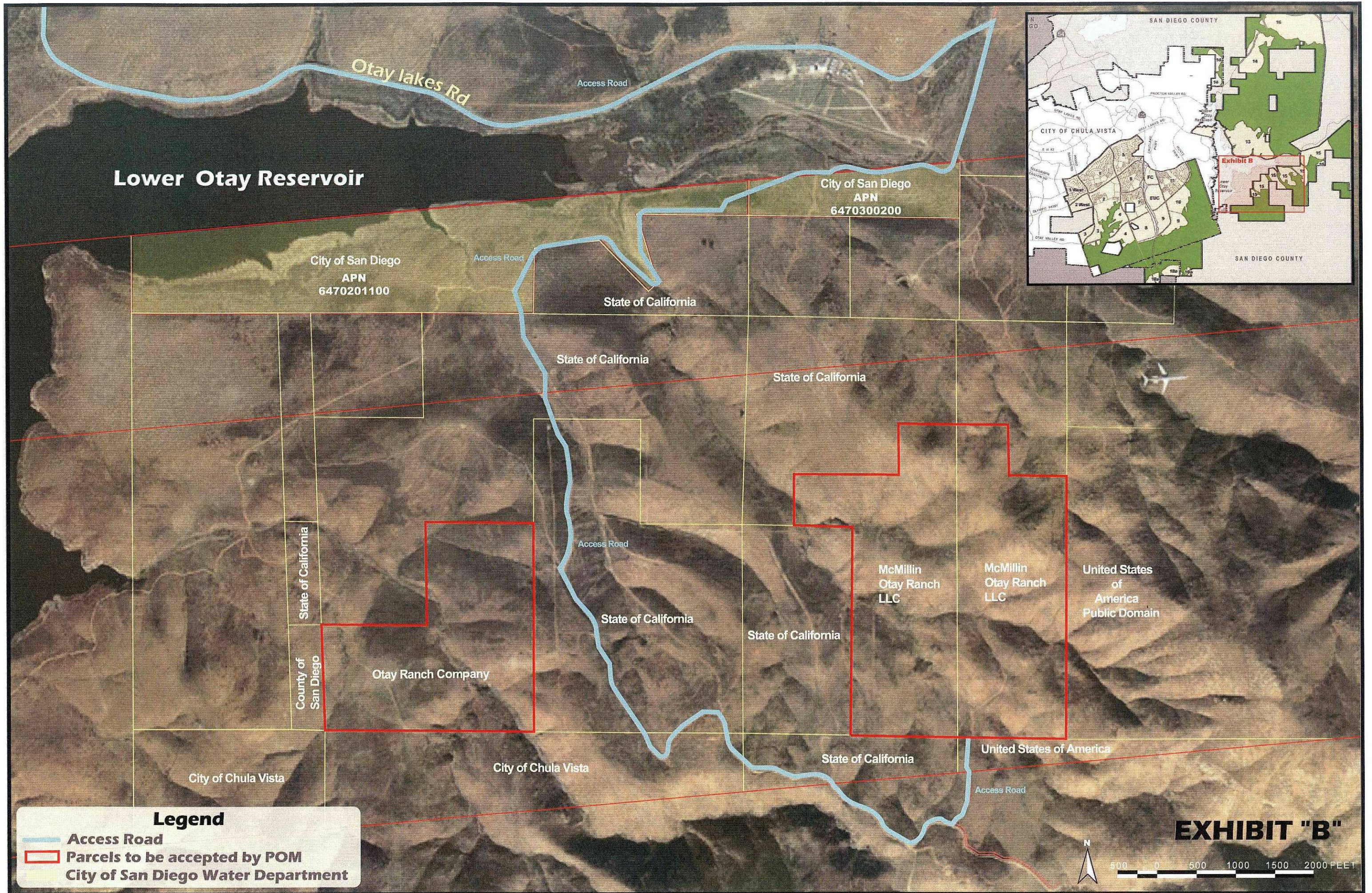
A handwritten signature in black ink, appearing to read "Gary Halbert". The signature is fluid and cursive, with the first name "Gary" and last name "Halbert" clearly distinguishable.

GARY HALBERT, Director of Development Services/Deputy City Manager
City of Chula Vista

REB;cg

cc: Steve Geitze, Real Estate Assets, City of San Diego
Marisa Lundstedt, City Principal Planner
Josie McNeeley, City Associate Planner
Megan Hamilton, County Department of Parks and Recreation (DPR) Group
Program Manager
Cheryl Goddard, County DPR Environmental Planner





Lower Otay Reservoir

City of San Diego
APN
6470201100

City of San Diego
APN
6470300200

State of California

State of California

State of California

State of California
County of
San Diego

Otay Ranch Company

State of California

State of California

McMillin
Otay Ranch
LLC

McMillin
Otay Ranch
LLC

United States
of
America
Public Domain

City of Chula Vista

City of Chula Vista

State of California

United States of America

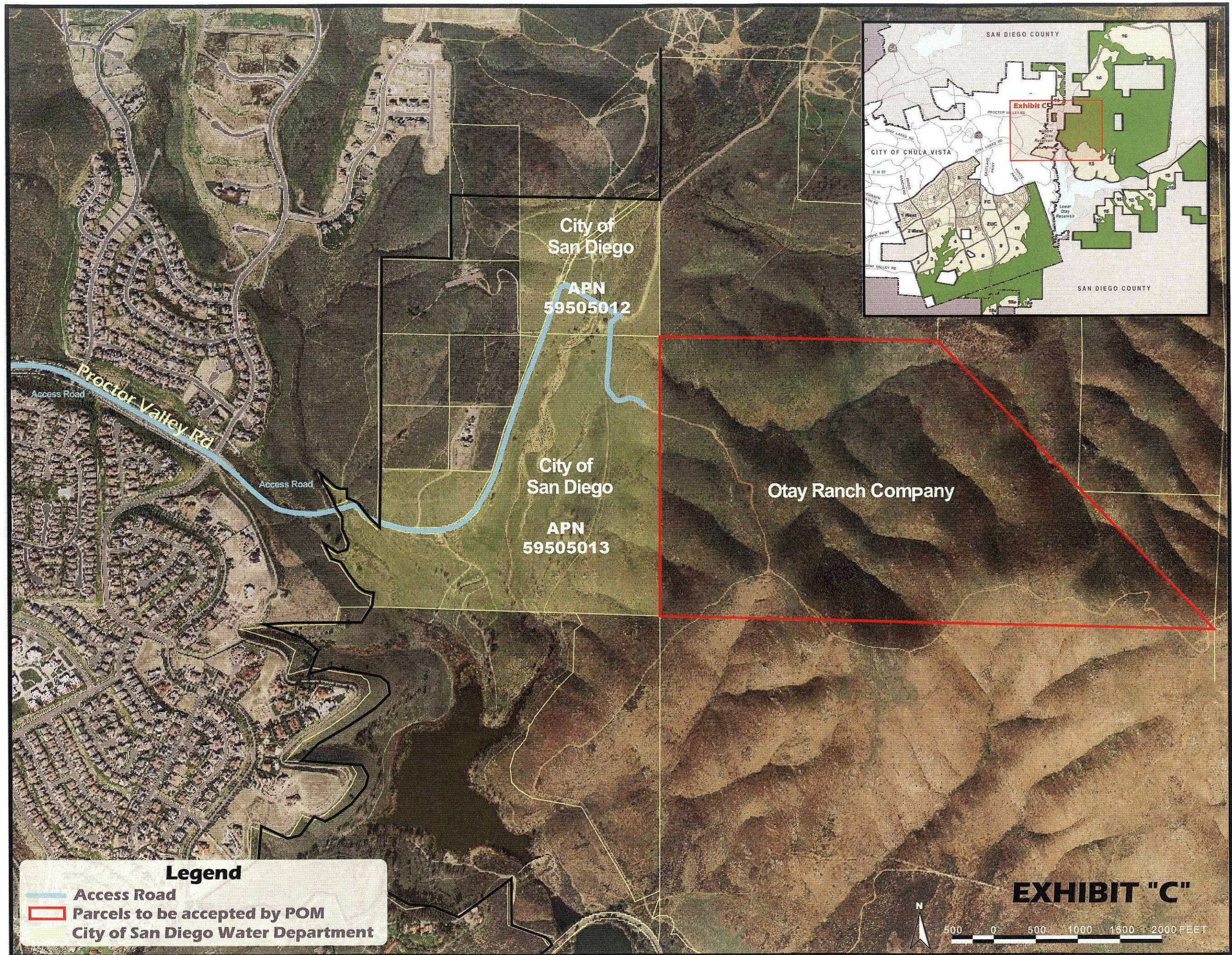
Legend

- Access Road
- Parcels to be accepted by POM
- City of San Diego Water Department

EXHIBIT "B"



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Legend

- Access Road
- Parcels to be accepted by POM
- City of San Diego Water Department

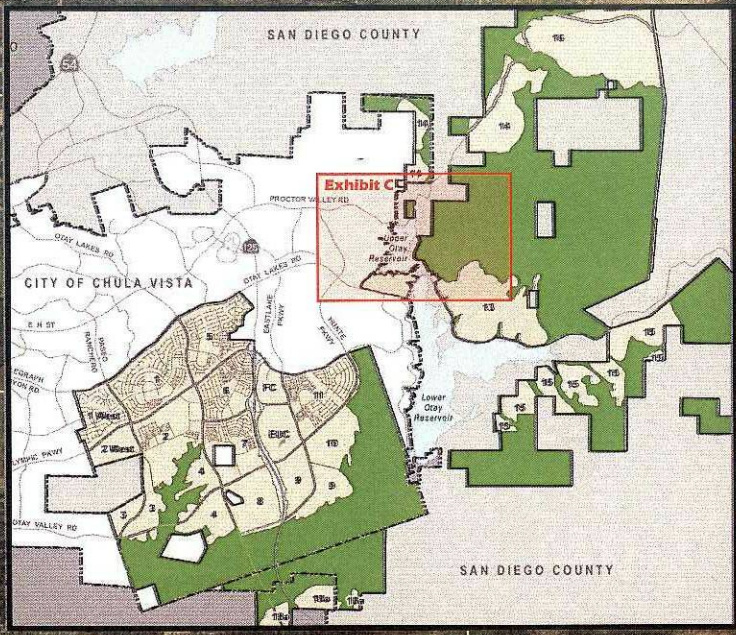


EXHIBIT "C"

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RE: April 17, 2009 Mediation
JAMS Ref. No. 1240019392

Counsel:

On April 17, 2009, the undersigned conducted a mediation with representatives of the City of Chula Vista (City) and the County of San Diego (County). Appearing for the City were Jill Maland, Maria Lundredt and Josie McNeely. Appearing for the County were Mark Mead, Cheryl Goddard, Megan Hamilton and Lea Ann Carmichael.

The mediation ended without a resolution of the issue(s) presented. The undersigned was requested to prepare a written recommendation based upon the information received during the mediation session. The Mediator therefore submits the following recommendation with the understanding that it is protected under the provisions of California Evidence Code §§1115-1128.

ARGUMENTS

The primary issue presented was whether the City has the authority under the Joint Powers Agreement (JPA)¹ of March 16, 1996, to site future infrastructure on Preserve land, within the City's boundaries, without the County's approval.

This issue arises from the terms of the conveyance of land, that is set aside for open space (Preserve), in the Otay Ranch project. Under the JPA, the City and County would take joint title to the land, regardless of whether the open space land or the related development was in the City limits or in the unincorporated area of the County.

The City's initial position would have allowed the development to convey the title to the Preserve land to the City and County with a reservation of rights to the grantor for an easement to place infrastructure on the Preserve land at a time in the future. During the mediation session, alternative proposals were discussed with the City. These proposals included having the reservation of rights given to the City, instead of the developers, to control the siting of future facilities on Preserve land, within the City's boundaries and without the County's approval.

¹ The stated purpose of the JPA was to coordinate the planning, design and operation of the Preserve.

The County contends that, as a member of the JPA and the Preserve Owner/Manager (POM), it is a joint owner of the land and has a right to jointly decide where and what is to be built on the property. The County took the position during the mediation that it was not willing to surrender its ownership rights and duties regarding the use of the Preserve land. Specifically, the County argues that the City may not force the County to take title to this land under terms the County finds objectionable. Both the City and County must agree to the terms of the conveyance. The County thus contends that when it comes to establishing or acquiring an easement for future specific infrastructure, the City must obtain the approval of the County, as one of the owners of the Preserve land.

The City takes the position that although the City and County are to be joint owners of the Preserve land, the City has the absolute authority and obligation to decide on the installation of public infrastructure to support new development. The City refers to its police powers, the Subdivision Map Act and the City's general plan to support its position. The City further refers to the regulatory and policy documents governing the Preserve, which the City argues reserves the future siting to it, without the requirement of County approval.

Specifically the City refers to the Otay Ranch General Development Plan/Subregional Plan (GDP/SRP), which contemplates the installation of public utilities, including water and drainage. Additionally, the City refers to the Resource Management Plan (RMP) in the following particulars:

- 1) Policy 2.12 - Permits the installation of drainage, siltation and detention facilities.
- 2) Policy 6.6 - Infrastructure may be allowed within the Preserve under specific guidelines.
- 3) Policy 8.3 - The improvement plans (installation of infrastructure) shall be subject to approval by the appropriate jurisdiction (City or County) and review by the Preserve Owner/Manager (POM).
- 4) Policy 9.6 - The RMP may be amended by the legislative body having jurisdiction over the use of the land, subject to review and comment by the POM.

After referencing the JPA, the GDP/SRP, the POM and the Multiple Species Conservation Program Plans (MSCP), the City takes the position that:

1. The City alone may reserve easements for the installation of future infrastructure within the City's boundaries.
2. The City has the sole authority to approve the siting of future facilities within the City's boundaries.
3. The POM role regarding future facilities is limited to review and comment of the infrastructure plans and not to veto the City's decision.

RECOMMENDATION


The JPA gives joint legal title to the City and the County. As such, each owner has the rights and duties afforded to any owner of real property held for the benefit of the public. Under the joint ownership of the Preserve, neither the City nor the County appear to have the unilateral right to make ultimate decisions to impact the Preserve. Both entities are given the responsibility to be the protectors/stewards of the Preserve.

When the joint ownership interests of the Preserve were set forth in the mid 90's, it is not known whether the City and County contemplated the impact that ownership might have on the standard recognized rights of jurisdiction to control the siting of facilities. Arguably, both the City and the County can veto the approval process of the other regarding such sitings. Whether this potential impact would be realized in the future is speculative.

Both the City and the County have presented strong arguments supporting their respective positions. The issue thus becomes political in nature. If the JPA remains as written, Section 4 conveys the land to the City and County to be held as joint owners. Each party could thus impact the processing of easements and siting of future facilities.

The Mediator would recommend that the JPA and any related policy documents be amended to allow the respective entities to control the siting of future facilities on Preserve land, which is within their respective boundaries. However, any decision made should occur only after requesting, receiving and considering any recommendation from POM. This would be the cleanest approach. Otherwise, there would be a continuing tension between the joint owners regarding each new grant of land and each new siting of facilities.

Dated: April 21, 2009.


Hon. Robert E. May (Ret.)
Mediator

Actuals/Projected Expenditures for FY08-09 POM Budget

Tasks	Budget	Actual Expenditures for Quarter 1-3	Projected Expenditures for Quarter 4	Projected Remaining Funds	Notes
Administration					
CFD Consultant	\$18,000	\$13,067.79	\$4,355.93	\$576.28	Calculation of max tax and tax rates for district. Addresses period inquiries from POM staff/City Finance staff
City Staff/County Staff Time					
City Staff					
Environmental Manager	\$20,800	\$12,551.11	\$4,183.70	\$4,065.19	Meeting prep for PMT/PC , Working Group, and POM staff meetings. Research and budget prep. Coordination w/County POM staff and Resource Agencies.
Engineering	\$15,000	\$9,393.40	\$3,131.14	\$2,475.46	City Finance staff addresses CFD inquiries related to expeditures. Reserves, and FY budget prep.
Counsel	\$5,000	\$22,165.00	\$7,388.33	-\$24,553.33	Legal staff recently assigned. Time spent getting up to speed and conducting research for coorespondence to County Counsel regarding future infrastructure. Also attends briefings and PMT/PC meetings.
County Staff					
DPR Staff	\$52,456	\$44,115.14	\$15,058.80	-\$6,717.94	Coordinates and attends POM Staff, Working Group, PMT, and Policy Committee meetings; Prepares agendas, handouts, and presentations for POM meetings; Coordinates acceptance of fee title transfers and acknowledgment/acceptance of IODs; Edits management plans; Manages the biological monitoring contract; Manages the POM website; Reviews planning documents that may impact the Preserve; and Coordinates with OVRP Joint Staff.
Counsel	\$4,496	\$15,462.90	\$1,124.00	-\$12,090.90	Attends POM briefings and PMT/PC meetings. Reviews/responds to POM documents as needed.
General Services	\$2,748	\$700.00	\$1,000.00	\$1,048.00	Reviews Preliminary Title Reports and
Administration Total	\$118,500	\$117,455.34	\$36,241.90	-\$35,197.24	
Preserve Operation and Maintenance					
County Seasonal Park Attendant	\$36,000	\$23,499.06	\$10,264.80	\$2,236.14	Attends site visits with POM Staff and Applicants prior to land being conveyed to the POM; Removes trimmings, rubbish, debris, and other solid waste from POM lands; Maintains existing truck trails to POM lands; Enforces the “no trespassing” rules by patrolling access routes and prohibiting off-road traffic; Maintains fences and gates; and Coordinates with other law enforcement agencies.
Preserve Equipment and Improvements					
Fence Maintenance	\$3,000	\$328.45	\$0.00	\$2,671.55	Seasonal Ranger purchased security gate and barbed wire.
Minor Equipment, i.e. Hand/Power Tools	\$5,000	\$0.00	\$0.00	\$5,000.00	At this time, the purchasing of hand/power tools is not necessary. Current funds may be needed for replacement of damaged tools.
Signs	\$3,000	\$157.56	\$1,063.00	\$1,779.44	Purchased sign posts and "Sensitive Resource" signage.
Preserve Operation and Maintenance Total	\$47,000	\$23,985.07	\$11,327.80	\$11,687.13	
Resource Monitoring Program					
Biological Resources: Expanded/Enhanced Baseline Survey OR Active Management	\$100,000	\$0.00	\$0.00	\$100,000.00	Monies to be carried forward to FY09/10 budget in order to conduct surveys in Spring 2009. As part of the existing Dudek contract, the following tasks will be completed: - Initial CAGN survey for 300 acres not previously identified in contract - Spring floral surveys - QCB surveys - Herp arrays Total cost for these task is esimated at \$89,200. The remaining \$10,800 will be reallocated to the Preserve Steward/Biologist as directed by the PMT on March 17, 2009 at a Special PMT Meeting. Working Group provided recommendations for reallocation of remaining funds. Complete list of tasks to be completed is provided separately.
Biological Resources: On-Going Surveys	\$65,000	\$0.00	\$0.00	\$65,000.00	Monies to be carried forward to FY09/10 budget in order to fund a contract for a Preserve Steward/Biologist as directed by the PMT on March 17, 2009 at a Special PMT Meeting.
Baseline Survey	\$175,000	\$0.00	\$0.00	\$175,000.00	This amount was to be used to conduct baseline biological surveys for land to be conveyed to the POM in 2008. Land was not transferred to the POM, therefore, the funding will be reallocated to the Preserve Steward/Biologist as directed by the PMT on March 17, 2009 at a Special PMT Meeting.
Resource Monitoring Program Total	\$340,000	\$0.00	\$0.00	\$340,000.00	
SUB TOTAL FY08-09 (Admin, Maint, and Monitoring)	\$505,500	\$141,440.41	\$47,569.70	\$316,489.89	
Carry forward from Y07-08 Resource Monitoring Program	\$60,000	\$0.00	\$0.00	\$60,000.00	Although no money has been expended at this time, the following tasks have been completed in association with the existing Dudek contract: - vegetation mapping - invasive plants - floral surveys - cagn/cawr surveys - avian wetlands species - general butterfly surveys A final baseline biological report is expected to be submitted by Summer 09. Because this submittal will be completed in the upcoming fiscal year, this amount will be carried forward to the FY09/10 budget.
GRAND TOTAL	\$565,500	\$141,440	\$47,570	\$376,489.89	

**Draft 09/10 POM Budget
(Presented to PMT on 01.23.09)**

Task	Projected Expenditures
Administration	
CFD Consultant	\$18,540
City Staff/County Staff Time	
City Staff	
Environmental Manager	\$21,424
Engineering	\$15,450
Counsel	\$5,150
County Staff	
DPR Staff	\$59,740
Counsel	\$4,631
General Services	\$2,830
Administration Total	\$127,765
Preserve Operation and Maintenance	
Park Ranger	\$74,000
Preserve Equipment and Improvements	
Fence Maintenance	\$1,000
Minor Equipment, i.e. Hand/Power Tools	\$1,000
Preserve Operation and Maintenance Total	\$76,000
Resource Monitoring Program	
Baseline Surveys	\$202,500
On-Going Surveys	\$65,000
Resource Monitoring Program Total	\$267,500
Preserve Ops, Maint, and Resource Monitoring Total	\$343,500
TOTAL FY09-10 (Admin, Maint, and Monitoring)	\$471,265
Carry forward from FY07/08 Resource Monitoring Program	\$60,000
Carry forward from FY08/09 Resource Monitoring Program	\$340,000
GRAND TOTAL FY09-10 (Including Carry Forward)	\$871,265

**Revised 09/10 POM Budget
(Per 0.3.17.09 Special PMT Meeting)**

Task	Projected Expenditures
Administration	
CFD Consultant	\$18,540
City/County Staff Time	
City Staff	
Environmental Manager	\$21,424
Engineering	\$15,450
Counsel	\$5,150
County Staff	
DPR Staff	\$59,740
Counsel	\$4,631
General Services	\$2,830
Administration Total	\$127,765
Preserve Operation and Maintenance/Resource Monitoring	
Preserve Steward/Biologist (To conduct preserve operation and maintenance tasks and monitoring pursuant to approved SOW)	\$343,500
Preserve Ops, Maint, and Resource Monitoring Total	\$343,500
TOTAL FY09-10 (Admin, Maint, and Monitoring)	\$471,265
Carry forward from FY07/08 Resource Monitoring Program	\$60,000
Carry forward from FY08/09 Resource Monitoring Program	\$340,000
GRAND TOTAL FY09-10 (Including Carry Forward)	\$871,265

POM Budget Forecast (CFD 97-2)
Showing FY07-08 thru FY13-14
May 13, 2009

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q
FISCAL YEAR	NUMBER OF TAXABLE PARCELS ¹	AVERAGE PER PARCEL ASSESSMENT ² (D/B)	MAXIMUM LEVY AMOUNT	CHANGE IN REVENUE FROM ASSESSMENT COMPARED TO PREVIOUS FY (D2-D1/D2)	REVENUE ³ [D-(D*0.2107)]	CARRY FORWARD BALANCE (RESERVE) ⁴	HEALTH OF THE CARRY FORWARD BALANCE (RESERVE) ⁵ (G/N)	INTEREST EARNED ON FUND BALANCE ⁶	TOTAL ANNUAL FUNDING AVAILABLE (F+G+I)	ADMIN (INCLUDES COLA)	PRESERVE STEWARD/BIOLOGIST			TOTAL EXPENDITURES (K+L+M+N)	DIFFERENCE BETWEEN REVENUE + INTEREST EARNED AND TOTAL EXPENDITURES (F+I)-O	YEAR-END BALANCE (J-O)
											OPERATIONAL EXPENDITURES ⁷	TOTAL BASELINE SURVEY EXPENDITURES ⁸	TOTAL ON-GOING BIOLOGICAL SURVEY EXPENDITURES ⁹			
1 2007-08	9,536	\$40.12	\$382,623		\$362,206	\$284,044	94.68%	\$18,905	\$665,155	\$195,720	\$110,000	\$0	\$0	\$300,000	\$81,111	\$365,155
2 2008-09	9,536	\$53.52	\$510,339	25.03%	\$407,404	\$365,155	194.79%	\$15,000	\$787,559	\$153,697	\$33,764	\$0	\$0	\$187,461	\$234,943	\$600,098
3 2009-10	10,212	\$51.47	\$525,649	2.91%	\$419,626	\$600,098	68.88%	\$15,000	\$1,034,723	\$127,765	\$76,000	\$351,700	\$315,800	\$871,265	(\$436,639)	\$163,458
4 2010-11	10,212	\$53.02	\$541,419	2.91%	\$432,215	\$163,458	34.23%	\$15,000	\$610,673	\$131,598	\$78,402	\$157,500	\$110,000	\$477,500	(\$30,285)	\$133,173
5 2011-12	10,212	\$54.61	\$557,661	2.91%	\$445,181	\$133,173	28.13%	\$15,000	\$593,354	\$135,546	\$80,454	\$112,500	\$145,000	\$473,500	(\$13,319)	\$119,854
6 2012-13	10,212	\$56.25	\$574,391	2.91%	\$458,536	\$119,854	23.76%	\$15,000	\$593,391	\$139,612	\$82,388	\$112,500	\$170,000	\$504,500	(\$30,964)	\$88,890
7 2013-14	10,212	\$57.93	\$591,623	2.91%	\$472,293	\$88,890	17.34%	\$15,000	\$576,183	\$143,801	\$86,199	\$112,500	\$170,000	\$512,500	(\$25,207)	\$63,683

Assumptions:

¹The number of taxable parcels will be updated as more development within Otay Ranch is completed or annexed into the district.

²The Average per parcel assessment is for illustrative purposes only, as parcel classification varies and effects each parcel's tax rate.

³Revenue factors a delinquency rate of 21.07% to the levy amount. This delinquency rate reflects the delinquency for the first installment (12/10/09). It is important to note out of the 10,212 parcels taxed in the district, 864 parcels have not paid the first installment resulting in a deliquency rate of 8.46%.

⁴The Carry Forward Budget (Reserve) is equal to the funds remaining at the end of the previous fiscal year.

⁵The Health of the Carry Forward Budget (Reserve) is equal to the fund balance over current year budget. The minimum amount is set by the City's Open Space Policy, i.e. Minimum is 50% of the FY Total Budget, maximum is 100% of the FY Total Budget. Ideal Reserve health is between 75% to 100%.

⁶The actual interest earned for FY07-08 was \$18,905. For every FY after 07-08, it is assumed that the fund balance will earn \$15,000 in interest.

⁷The Operational Expenditures previously included the cost of a Seasonal Park Attendant/Park Ranger salary, and Preserve equipment and improvement costs. Pursuant to the 3/13/09 Special PMT meeting, it was determined that the Preserve Steward/Biologist would conduct basic stewardship duties in addition monitoring tasks. Costs associated with Operational Expenditures will be reassessed each fiscal year based on proposed work plan prepared by the Preserve Steward/Biologist.

⁸Baseline surveys are one-time costs and are completed on newly conveyed lands. The cost of baseline surveys is calculated at \$225/ac. It is assumed that: 900 acres will be conveyed to the POM in FY09-10; 700 acres in FY10-11; and 500 acres each year after FY10-11.

⁹On-going biological surveys are annual biota monitoring costs on POM managed lands. The cost of on-going biological surveys is calculated at \$50/acre.

Note to Reader:

Approval of Village 13, within the unincorporated County, will require the creation and implementation of a CFD administered by the County of San Diego. This will help defray the costs to manage and monitor the Preserve once homes are built and assessments charged.

Costs associated with operations and maintenance, baseline surveys, and on-going monitoring will be reassessed each fiscal year based on a proposed work plan to be prepared by the Preserve Steward/Biologist.

For FY2008/2009, staff has updated the costs associated with administration, operations and maintenance, and monitoring with the FY08/09 actuals.

For FY2009/2010, rollover funds (in the total amount of \$400,000) from FY08/09 have been factored into the budget for FY09/10 for completion of baseline surveys and on-going monitoring.